

**Chapter 7: Youth
Work-Based Training Activities**

Issue Date:

Effective Date: April 1, 2000; updated June 6, 2007

Required Action

Action: To provide WSAs and youth service providers with program guidance for Work-Based Training activities funded under WIA.

Who: All WSAs and youth service providers in the State of Minnesota.

Background: Service providers must have an agreement with each worksite which ensures compliance with WIA and all applicable regulations, and a safe, meaningful and adequately supervised work experience for the youth. Previous worksite evaluations should be used in selecting or rejecting worksites.

Policies and Procedures:

Worksite Development

The following areas need to be taken into consideration by the WSA and/or service provider as potential worksites are identified:

- **Labor Standards: Displacement of Workers/Maintenance of Effort.** Before developing a worksite agreement, the WSA must ensure compliance with WIA and all applicable regulations. Participants may not be placed at a worksite where:
 - o a participant will displace current employees (including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits);
 - o an individual is in layoff status from the same or similar job;
 - o the employer has terminated a regular employee or otherwise reduced its workforce with the intention of replacing paid employees with WIA-subsidized participants;
 - o a participant infringes upon the promotional opportunities of currently employed individuals; or existing labor contracts are impaired unless the labor organization concurs. The WSA or program provider should question any prospective worksite employer regarding recent or potential layoffs and/or staff reductions, including reduced work hours. If there is any doubt as to whether a WIA participant will replace or supplant regular employees or infringe on their promotional opportunities, the WSA should not place a youth at the worksite. To ensure continued compliance after the participant is placed, the WSA should include language regarding these prohibitions in the worksite agreement;
 - o a program or activity under WIA would impair existing contract for services or collective bargaining agreements.

- o When a program or activity authorized under Title I of WIA would be inconsistent with a collective bargaining agreement, the appropriate labor organization and employer must provide written concurrence before the program or activity begins.
- **Health and Safety Standards:** In developing worksite agreements, the WSA must ensure compliance with WIA laws and regulations, including:
 - o reasonable working conditions for worksites must be met;
 - o Health and safety standards established under State and Federal law must be met.
- **Benefits/Holidays:** WSAs must ensure compliance with all applicable federal and state laws and regulations, including:
 - o reasonable working conditions for worksites must be met;
 - o all participants must be covered by workers' compensation.
 - o Benefits and working conditions must be at the same level and to the same extent as those of other employees working in similar length of time and doing the same type of work.
- **Minimum Wage Requirements:** Individuals participating in work experience programs shall be paid wages at the same rates of similarly situated employees or trainees. The participants must be paid no less than the higher of the state or federal minimum wage in effect. Participants in one of the above mentioned activities for which wages are paid for more than 50 percent of the participants scheduled time including classroom training may also be paid wages for hours in classroom training. The following minimum wage requirements apply for all WIA youth program participants:

Effective Date	Minimum Wage
August 1, 2005	\$6.15/hour (state minimum)
July 23, 2008	\$6.55/hour (federal minimum)
July 23, 2009	\$7.25/hour (federal minimum)

- **Worksite Agreements:** Service providers must have an agreement with each worksite which will ensure a safe, meaningful and adequately supervised work experience. The agreement must also ensure adequate liability insurance coverage, including motor vehicle (where applicable). The agreement should also ensure that sufficient work and equipment will be provided to participants and that provisions will be made for supervision when the regular on-site supervisor is unavailable. All worksite agreements must contain "authorized" signature and dates. Worksite supervisors must have ready access to the worksite agreement. Worksite agreements should incorporate, at least by reference, the Minnesota Child Labor Standards Act, the Right-to-Know Act, and the Labor Standards provisions contained in WIA.
- **Participant and Supervisor Orientation:** Both participant and worksite supervisor orientation must be provided prior to or as close to the start of the program as possible. All front-line supervisors and alternates who will have direct responsibility for participating youth must receive training/orientation.

Orientation for both the participant and supervisor must include, but is not limited to:

- o Goals and objectives of WIA (both),
 - o Child labor standards (both),
 - o Minnesota Data Practices Act (both),
 - o WSA complaint procedures and EEO Affirmative Action Policy (both),
 - o Worksite agreement, OJT contract and monitoring (supervisor),
 - o Safety regulations (both),
 - o Enrollee time and attendance procedures (both),
 - o Workers' compensation and liability insurance (supervisor),
 - o Injury reporting procedures (both),
 - o Emergency information about participants and who to contact (supervisor),
 - o WSA/program provider policy and procedures including timekeeping procedures (supervisor),
 - o The Right-to-Know Act (both) and
 - o Sexual Harassment Training (strongly recommended for both).
- **Recruitment and Selection:** Recruitment and selection of participants must be accomplished in a manner which will ensure that WIA services are provided to those youth “who can benefit from” and “who are most in need” of such opportunities. This includes development procedures for selecting participants when the number of potential participants exceeds the total number of available training slots of worksites.
 - **Worksite Development:** Previous worksite evaluations should be used in selecting or rejecting worksites. All potential worksites should be reviewed prior to the signing of the worksite agreement. Alternate worksites should be available in the event that some worksites are closed. It's recommended that contingency plans for outdoor worksites should, during inclement weather, be available.
 - **Integration of Work and Learning:** There are two inter-related principles associated with the integration of work and learning (referred to as “work-based learning”, “contextual learning”, and “functional learning”).
 - o Learning the Secretary's Commission on Achieving Necessary Skills (SCANS) foundation skills and competencies (or reasonable variations of SCANS) within the context of performing work on an actual job; and,
 - o Conveying work-oriented skills—particularly but not limited to SCANS Foundation Skills and Competencies—in a classroom setting.

Linking academics and occupational learning remains a high priority area. Local service providers are encouraged to include project-based learning activities, linking classroom training and work experiences in their training curricula. In addition, lessons learned by School-to-Work (STW) local partnerships may be a source of appropriate project-based learning strategies.

- **Work Experience:** Work experience continues to be an effective strategy. Documented learning experiences should be an integral part of the youth's work experience, such as a portfolio. In addition, WSAs are encouraged to incorporate the following activities into their program design:
 - o Provide work maturity training to youth before sending them to worksites. This will help address employers' concerns regarding placement of youth ages 14-15, who are generally not equipped with behavioral skills and appropriate conduct necessary to function on actual jobs. WSAs should provide employers with all relevant information available pertaining to youth assigned to their worksites.
- **Basic Educational Skills Training:** Improving, enhancing and documenting performance outcomes of participants enrolled in basic educational skills training is a high priority. The operational definition of basic educational skills training is "the enhancement of the traditional educational skills of reading, mathematics, and writing attained through classroom or project-based learning methods."

WSAs should consider using project-based learning as an instructional strategy that contributes to academic learning. Using this approach, participants plan, implement, complete and evaluate a valuable, real-life project. In this approach, learning, content, and process are totally integrated. Well conceived, learning-rich projects include competencies, basic skills, academic content, specific vocational and occupational skills, work maturity skills, life skills and citizenship skills.

- **Payments to Participants:** Payments to participants may consist of:
 - o Wages for participants in work activities-work experience, OJT, and limited private sector internships/entry employment experience;
 - o Payments for participants in combined work and classroom activities;
 - o Bonus and/or incentives;
 - o Supportive service payments;
 - o Needs based payments.

Participants who are engaged in work activities in which there is an employer/employee relationship shall be paid wages which comply with all applicable Federal, State and local laws governing wage payments. When participants are paid wages, they will be subject to normal withholding of taxes applicable to similarly situated employees.

For the time spent in classroom education activities, participants may be:

- o Paid wages at the same level as wages for work experience and subject to the same rules governing the payment of wages;
- o Provided with wage equivalent payments equal to wages for work—or less;
- o Provided with incentive or bonus payments only—or in addition to—payments specified above;
- o Not paid anything.

NOTE: All youth costs must be consistent with the WSA's Local Youth Plan. Paid lunch breaks (using WIA funds) are prohibited.

- **Treatment of WIA and MYP Payments to Minor Caretakers and Minnesota Family Investment (MFIP).** The earned income of a minor caretaker or dependent child who is enrolled in a federal, state and/or local employment and training program (public or private) is disregarded if the individual is at least a half-time student. The determination of “half-time” student will be made by the appropriate local educational agency.

A provision in the Social Security Act allowed each state a choice in whether to adopt regulations to disregard, for TANF (Temporary Assistance for Needy Families) purpose, WIA income received by dependent children for a maximum six-month period.

The following policy has been established:

All income received by dependent children as a result of participation in WIA shall be excluded from both the Gross Income Test and in determining the amount of MFIP grant. The six-month limitation on the income disregard applies to each calendar year.

- **Federal Insurance Contributions Act (FICA) Payments for WIA/MYP Participants:** The Department of Labor has advised States and WSAs to withhold social security taxes (FICA) from the paychecks of WIA/MYP participants effective July 1, 1991. This advance is based on extensive discussions with both Social Security Administration (SSA) and Internal Revenue Services (IRA) staff regarding the new coverage requirement and the exclusion.
- **Incentive Payments to Youth Participants:** The Department of Employment and Economic Development requested approval from the Department of Labor to continue to allow the payment of incentives to youth participants for the achievement of specific goals and competencies under WIA. DOL has informed us that incentive payments may be made to youth participants if they are necessary and reasonable and/or consistent with federal and state law and provided they are based on attendance and performance. Such payments would not be viewed as inconsistent with WIA or applicable federal regulations.

Incentive payments to the participant while he or she is enrolled in classroom training will be considered a “training payment” and, as such, will be excluded from federal income tax, Social Security, etc.

Participants may receive incentive and bonus payments based on attendance and/or performance and in accordance with a locally developed formula or procedure. Such payments are intended to motivate achievement and are most effective and true to the law’s intent when contingent upon achievement or specific and measurable levels of attainment.

WSAs who are interested in providing incentive payments to youth participants must comply with the following procedures:

- o **Amount of Incentive Payment.** The maximum value of each incentive payment will be determined by the WSA. Incentives may be in the form of cash awards, plaques, certificates of achievement, gifts, in-kind certificates or vouchers. The frequency and maximum number of times a participant may receive an incentive payment will be determined by the WSA.
- o **Allocation of Costs.** Incentive payments to participants may be charged to the program category.
- o **Approval of Workforce Service Area Policies and Procedures for Incentive Payments.** Written policies and procedures governing incentive payments must be approved by the Workforce Council, and must apply equitably to all eligible participants. Such written policies and procedures must contain the following:
 - A description of the types of incentive to be provide;
 - A description of how payment of incentive payments will be documented and tracked.

These policies and procedures must be incorporated into the Youth Plan. DEED monitors will review these procedures along with other program records as appropriate, during regular monitoring visits.

Reference Section:

Cites/References: Workforce Investment Act (WIA) of 1998; Final Rules published in the August 11, 2000 Federal Register.

Training and Employment Guidance Letter No. 18-00 (dated April 23, 2001) and TEGL 3-04 (dated July 16, 2004).

Contacts:

Kay Tracy (voice: 651/259-7555; fax: 651/215-3842; TTY: 651/296-3900; email: kay.tracy@state.mn.us)

Youth website:

http://www.positivelyminnesota.com/All_Programs_Services/Office_of_Youth_Development